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Department of Education
8

9 IN THE UNITED STATES DISTRICT COURT
10 FOR THE NORTHERN DISTRICT OF CALIFORNIA
11

12
13 **EMMA C.,**

14 Plaintiff,

15 v.

16
17 **DELAINE EASTIN, ET AL.,**

18 Defendant.
19

3:96-cv-04179-TEH

**DEFENDANTS' FINAL
STIPULATION ON RSIP BUDGET
AND COURT MONITOR'S
BUDGET**

Judge: The Honorable Thelton E.
Henderson

20 Defendants Delaine Eastin, Superintendent of Public Instruction, Department
21 of Education (State Defendants) and Defendant Ravenswood City School District
22 (District), collectively Defendants, respectfully submit the following final
23 stipulation concerning the 2010-2011 RSIP budget, and the allocation of the RSIP
24 2010-2011 budget and the Court Monitor's budget between the Defendants.

25 **A. The RSIP Budget**

26 The Defendants have agreed on a single year RSIP budget of \$3,200,591
27 (three million, two hundred thousand, five hundred ninety-one dollars) for the
28 2010-2011 fiscal year. A copy of the agreed-upon RSIP budget 2010-2011 is

1 attached to this joint submission as Exhibit A. In addition to this amount, the
 2 Court Monitor has informed the parties that he has budgeted \$393,234 for the 2010-
 3 2011 fiscal year. (Court Docket (CD) 1490.)

4 The Defendants agree upon the following schedule:

- 5 • By **July 1, 2010**, the State Defendants will pay 30 percent of their
 6 respective allocated share (i.e., \$41,289.57 or 30% of \$137,631.90¹) of
 7 the Court Monitor's budget.
- 8 • By **July 1, 2010**, the District will pay 15 percent of its respective
 9 allocated share (i.e., \$38,340.32 or 15% of \$255,602.10²) of the Court
 10 Monitor's budget.
- 11 • By **July 15, 2010**, the District will pay 15 percent of its respective
 12 allocated share (i.e., \$38,340.32 or 15% of \$255,602.10) of the Court
 13 Monitor's budget.
- 14 • By **August 2, 2010**, the State Defendants will pay 30 percent of their
 15 respective allocated share (i.e., \$336,062.06 or 30% of \$1,120,206.85³)
 16 of the RSIP budget.
- 17 • By **August 2, 2010**, the District will pay 30 percent of its respective
 18 allocated share (i.e., \$624,115.25 or 30% of \$2,080,384.15⁴) of the
 19 RSIP budget.
- 20 • By **August 15, 2010**, the State Defendants will pay 30 percent of
 21 their respective allocated shares of the RSIP budget
 22 (\$336,062.06) and the Court Monitor's budget (\$41,289.57) (i.e.,
 23 a total of \$377,351.63).
- 24 • By **October 1, 2010**, the District will pay 30 percent of its
 25 respective allocated shares of the RSIP budget (\$624,115.25) and
 26 the Court Monitor's budget (i.e., \$76,680.63 or 30% of
 27 \$255,602.10) (i.e., a total of \$700,795.88).
- 28 • By **December 1, 2010**, the State Defendants will pay 20 percent
 of their respective allocated shares of the RSIP budget (i.e.,

¹ The State Defendants' share of the Court Monitor's budget is 35% of \$393,234 which is \$137,631.90.

² The District's share of the Court Monitor's budget is 65% of \$393,234 which is \$255,602.10.

³ The State Defendants' share of the RSIP budget is 35% of \$3,200,591 which is \$1,120,206.85.

⁴ The District's share of the RSIP budget is 65% of \$3,200,591 which is \$2,080,384.15.

\$224,041.37 or 20% of \$1,120,206.85) and the Court Monitor's budget (\$27,526.38 or 20% of \$137,631.90) (i.e., a total of \$251,567.75).

- By **January 17, 2011**, the District will pay 20 percent of its respective allocated shares of the RSIP budget (i.e., \$416,076.83 or 20% of \$2,080,384.15) and the Court Monitor's budget (i.e., \$51,120.42 or 20% of \$255,602.10) (i.e., a total of \$467,197.25).
- By **March 1, 2011**, the State Defendants will pay 20 percent of their respective allocated shares of the RSIP budget (i.e., \$224,041.37 or 20% of \$1,120,206.85) and the Court Monitor's budget (\$27,526.38 or 20% of \$137,631.90) (i.e., a total of \$251,567.75).
- By **April 15, 2011**, the District will pay 20 percent of its respective allocated shares of the RSIP budget (i.e., \$416,076.83 or 20% of \$2,080,384.15) and the Court Monitor's budget (i.e., \$51,120.42 or 20% of \$255,602.10) (i.e., a total of \$467,197.25).

B. The Allocation between the District and the State Defendants

The District and State Defendants have agreed that responsibility for the RSIP and Court Monitor's budgets will be allocated sixty-five percent (65%) to the District and thirty-five percent (35%) to the State Defendants for the 2010-2011 fiscal year.

The District and the State Defendants request that the Court issue an order to approve the RSIP budget for the 2010-2011 fiscal year and to implement the allocation and schedule described herein.

The District and the State Defendants further agree that the percentage or contribution amounts set forth above may change pursuant to the issuance of a Court Order determining that certain RSIP expenditures are no longer supported or needed to implement the RSIP, or that the respective duties of the parties have changed during the course of the 2010-2011 budget year, or pursuant to a Court Order authorizing additional RSIP expenditures for fiscal year 2010-2011.

C. Redirection of Funds

The District and State Defendants have obtained an agreement on the total RSIP budget amount as well as the composition and costs of the individual line

1 item amounts necessary for these parties to address RSIP compliance as of June 11,
2 2010.

3 1. In order to maintain the line-by-line and overall RSIP budget amounts
4 stated in this stipulation, the District and State Defendants agree that there will be
5 no redirection of funds from the RSIP budget to any other District budget.

6 2. In order to maintain the line-by-line and overall RSIP budget amounts
7 stated in this stipulation, the District and State Defendants agree that there will be
8 no redirection of funds between the individual lines of this RSIP budget, unless the
9 District provides counsel for the State Defendants with written notice of its intent to
10 redirect funds at least 15 calendar days before the proposed redirection and any of
11 the provisions stated in the below subsections apply. By entering this stipulation,
12 the State Defendants do not waive their right to pursue any legal remedies available
13 under the applicable rules of the federal court.

14 a. Definition: As used in this stipulation, redirection of funds within the
15 RSIP will refer to the funds being taken from a line item ("source line item") and
16 being used as additional funds for another line item ("recipient line item").

17 b. Magnitude: The District must indicate in its written notice of intent the
18 magnitude of the proposed redirection in terms of a dollar amount, as well as
19 the percentage of the source line item funds being taken and in terms of the
20 percentage of recipient line item funds being augmented.

21 c. Procedures for Redirection:

22 (1) No Written Stipulation Necessary:
23

24 Where a single redirection involves an amount equal to 5% or less of the
25 source line item funds or the recipient line item funds for FY 2010-11, then no
26 written stipulation between the District and State Defendants is necessary to
27 accomplish the redirection. Should three or more redirections involving individual
28 amounts equal to 5% or less of a specific source line item or a specific recipient line

1 item for fiscal year 2010-11 occur, then any subsequent redirections of such line
 2 item funds must be accomplished in accordance with the "mandatory process" set
 3 forth below at (2).

4 (2) Mandatory Process for Written Stipulation and/or Court Order:
 5

6 i. Where the redirection involves more than 5% of the source line item
 7 funds or the recipient line item funds for FY 2010-11, then the District must seek a
 8 written stipulation with the State Defendants to accomplish the redirection.

9 ii. If the District and State Defendants are unable to reach a written
 10 stipulation concerning the redirection of funds exceeding 5% of the source line
 11 item funds or the recipient line item funds for fiscal year 2010-11, then the District
 12 and State Defendants shall engage in a meet-and-confer process, with the
 13 facilitation and/or mediation of the Court's monitor, if so requested by the District
 14 or State Defendants, to reach a written stipulation on such redirection.

15 iii. Absent a written stipulation, the District may seek Court authorization
 16 for redirection of funds in an amount exceeding 5% of the source line item
 17 funds or the recipient line item funds for fiscal year 2010-11 upon briefing and
 18 hearing conducted under the applicable rules of the federal court.

19 **D. Changes in District Budget**
 20

21 The District shall notify the State Defendants if its overall budget and/or any
 22 particular line items of the District's budget is reduced during fiscal year 2010-11,
 23 as a result of and not limited to staff furloughs, layoffs, freezes on scheduled salary
 24 increases, net salary savings from vacant positions, reduction in school days, such
 25 that the actual amount needed to fund any stipulated RSIP budget item or the
 26 overall RSIP budget is reduced. The District must notify the State Defendants of
 27 that reduction or freeze by letter to the State Defendants' counsel within 30 days of
 28 the action so that the District and the State Defendants may reach a stipulation on

1 the amount of any deposited RSIP funds to be returned or credited, and, if requested
2 by either the District or the State Defendants, engage in a meet-and-confer process,
3 with the facilitation and/or mediation of the Court's Monitor, to reach a stipulation.
4 Absent a stipulation between the District and State Defendants, the sought return or
5 crediting of deposited RSIP funds may be determined by the Court upon briefing
6 and hearing conducted under applicable rules of the federal court.

7 Nothing in this stipulation constitutes a waiver by the District of its right to
8 file a motion with the Court seeking additional contribution from the State
9 Defendants for an overall increase in the RSIP budget due to extraordinary
10 circumstances.

11 **E. Invoices on Compensatory Education Services**

12 As of July 2010, the District will require, as a provision of its contracts with
13 compensatory education service providers for services under the December 20,
14 2007 Order (Court Docket (CD) 1157), that the contractor provide a statement
15 (such as a spreadsheet) to CDE and to the District, at the same time, indicating (1)
16 the SEIS student identification numbers of the students receiving services, (2) the
17 types of services provided to each student, (3) the number of minutes of service
18 provided and (4) the invoice numbers and amounts for rendered services for each
19 student to enable tracking of the rendered services and funds by student. Should a
20 contractor not be amenable to this provision, then the District will provide to the
21 California Department of Education (CDE) the invoices and indicate (1) the SEIS
22 student identification numbers of the students receiving services, (2) the types of
23 services provided to each student, and (3) the number of minutes provided for the
24 rendered services. The District will provide a copy of the invoices to CDE at the
25 same time they are provided by the District to the Court Monitor.

26 As of July 2010, the District will indicate on the submitted invoices for
27 products in lieu of compensatory education services the SEIS student identification
28 numbers of the students receiving the products. The District will provide a copy of

1 the invoices to CDE at the same time they are provided by the District to the Court
2 Monitor.

3 As of July 2010, the District will provide on a monthly basis to CDE a
4 statement indicating (1) the names of the students receiving compensatory
5 education services from District employees, including and not limited to teachers,
6 (2) the types of services provided to each student, (3) the number of minutes
7 provided to each student for each service provided to that student in that month, and
8 (4) the amount paid to the employee for performing the compensatory education
9 service to the extent the employee is paid in excess of his or her standard salary for
10 performing such services.

11 **F. Quarterly Invoices**

12 The District and the State Defendants further agree that the District shall
13 submit quarterly invoices, in accordance with the same schedule agreed upon for
14 payment into the Court registry, to the Court Monitor reflecting the funding
15 necessary to implement the First Amended Consent Decree and RSIP.

16 The District and the State Defendants further agree that copies of any and all
17 invoices, and any supporting documents provided by the District to the Court
18 Monitor shall also be provided at the same time to the CDE.

19 The District and the State Defendants further agree that they shall meet and
20 confer, upon the request of either party received within 30 days after the submission
21 of the quarterly invoices to the Court Monitor, regarding the invoices or other
22 documents provided to the Court Monitor. The parties request that the Court
23 Monitor be instructed to maintain an accounting of all such invoices and forward
24 them to the Court for immediate payment.

25 **G. Line Item Accounting**

26 The District and the State Defendants further agree that on a quarterly basis, in
27 accordance with the same schedule agreed upon for District payment into the Court
28 registry beginning October 1, 2010, and with a final statement due by August 31,

1 2011, the District will provide CDE with a line item accounting of budget
2 expenditures. Upon CDE's written request, the District will provide backup
3 documentation, in the form of and not limited to invoices and expenditure reports,
4 supporting the RSIP expenditures so that CDE can perform a quarterly audit of
5 RSIP expenditures.

6 **H. Audits of RSIP Service and Expenditure Records**

7 The District and the State Defendants further agree that the State
8 Defendants may perform additional audits of RSIP records under two
9 circumstances:

10 (1) First, the State Defendants may perform additional audits of RSIP records
11 if so authorized by Court Order.

12 (2) Second, and in the alternative, the State Defendants may conduct
13 additional audits upon 30 days notice to the District and the Court Monitor that the
14 State Defendants have reliable evidence of misuse or misappropriation of RSIP
15 funds and intend to conduct an additional audit of RSIP records to determine if
16 misuse or misappropriation of RSIP monies has in fact occurred. Where the State
17 Defendants provide notice of their intent to conduct an audit on such basis, the
18 parties shall meet and confer, upon the District's request, to discuss disclosure of
19 any or all of the evidence of misuse or misappropriation of RSIP funds upon which
20 the State Defendants rely. Nothing in this stipulation shall prevent the District from
21 seeking the Court's intervention.

22 **I. Assumption of Special Education Services:**

23 Should any LEA assume legal and/or financial responsibility for providing
24 special education services at any school(s) within the District during the 2010-2011
25 fiscal year, the Defendants agree to meet and confer, as defined by Local Rule 1-
26 5(n), concerning any RSIP budget issues that may arise from the assumption,
27 including and not limited to: (1) the LEA's financial responsibility for RSIP
28 compliance, (2) the modification of the stipulated RSIP budget to reflect the LEA's

assumed role and responsibilities for the delivery of special education services in lieu of the District's delivery, as funded under this RSIP budget, and (3) the reversion of RSIP funds to the State Defendants as a result of special education services being delivered by the LEA.

The Court Monitor may be included in this meet and confer process upon the request of either Defendant. Should the Defendants be unable to reach agreement with regard to these matters, the District or the State Defendants may petition the Court for modification of the stipulated RSIP budget for fiscal year 2010-2011 upon briefing and hearing conducted under the applicable rules of the federal court.

Dated: June 22, 2010 COUNTY COUNSEL OF THE COUNTY OF SAN MATEO

By: _____/s/_____
Kathryn E. Meola
Deputy County Counsel
Attorneys for Ravenswood City School District

Dated: June 22, 2010 OFFICE OF THE CALIFORNIA ATTORNEY GENERAL

By: _____/s/_____
Lisa Tillman
Deputy Attorney General
*Attorneys for Defendants Delaine Eastin,
Superintendent of Public Instruction, and California
Department of Education*



EXHIBIT A

THE STATE'S FINAL RSIP 2010-11 BUDGET PROPOSAL

RSIP ITEM	AMOUNTS
1110 Teacher Salaries (Reg)	322,776
1140 Teacher Salaries (Hrly)	60,933
1215 Psychologist (Reg)	231,241 (RSIP will include 75% of bilingual psychologists' salaries)
1315 Sup't Salary	34,000
1320 Ass't Sup't Salary	110,400 (Per 0.80 FTE)
1330 Director's Salary	39,849
1335 Coordinator Salaries	635,839
1960 Special Ed Stipend	115,000
1970 SST stipend	30,000
2140 Instructional Aides, Hrly	49,000
2310 Mgm't Salaries	0

2340 Mgm't Salaries Hrly	0
2410 Clerical/other office salaries	276,682
2425 Clerical/other office OT	8,000
2440 Clerical and Office salary	10,000
2920 Other Classified, reg, OT	69,544
2925 Other classified, OT	0
2940 Other Classified, hourly	0
3000 Benefits	485,707 (Per 75% Psychologists' salaries and reduced FTE hours in RSIP positions)
4110 Textbooks	0
4210 Reference Books	0
4310 Instructional Materials	26,182
4316 Office and Other Supplies	5,635

4330 Printing	1,545
4370 Gasoline	0
4400 Noncapitalized equipment	4,545
5210 Mileage	2,727
5215 Parent/student conf/training	5,864
5220 Staff conferences	6,873
5227 Workshop/Inservice/Train	23,636
5228 Recruitment	36,364
5310 Dues and membership	1,600 (Per 0.80 FTE)
5614 Rentals and Leases	5,245
5630 Maintenance of Equipment	4,545
5751 Food service	1,318

5752 Special Ed students in CDC	n/a
5801 Consultant Services, Cert.	301,100
5802 Professional/Consultant-clas	49,364
5812 Advertising	4,177
5818 Tuition	27,273
5819 Non public agencies	24,943
5820 (formerly 5920) Other admin exp	5,000
5912 Cellular phone	1,091 (Per 0.80 FTE)
5920 Postage	3,138

2. Indirect Costs

The State Defendants understand the District accepts the recently published indirect costs of 5.94%, so that 5.94% rate is incorporated in this counter-proposal.

3. Total RSIP Budget Under the Counter-Proposal.

Under this counter-proposal, the RSIP budget (excluding the Court Monitor's projected 2010-2011 budget and the indirect costs of 5.94%) is \$3,021,136.

Once the indirect costs of 5.94% are included, the counter-proposal indicates an RSIP budget (excluding the Court Monitor's projected 2010-11 budget) of \$3,200,591. In other words:

RSIP budget subtotal:	\$3,021,136
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With indirect costs at 5.94% rate of \$179,455:	\$3,200,591
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With Monitor's budget of \$393,234:	\$3,593,825
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Applying the 65% to 35% allocation, the State Defendants' total contribution to the RSIP and Court Monitor's budgets is: \$1,257,839.